

DEPARTMENT OF NATURAL RESOU DIVISION OF OIL, GAS AND MINING 1594 West North Temple, Suite 1210

Michael O. Leavitt Governor Kathleen Clarke Executive Director Lowell P. Braxton Division Director 1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

September 17, 2001

Gayle F. McKeachnie, Esq. McKeachnie, Allred, McClellan & Trotter, P.C. 121 West Main Street Vernal, Utah 84078

Re: Approval of Time Extension Request for Submittal of Replacement Reclamation Surety, Ziegler Chemical and Mineral Corporation, Gilsonite Mines, M/047/013, Uintah County, Utah

Dear Mr. McKeachnie:

On September 14, 2001, the Division of Oil, Gas and Mining received your letter requesting a time extension to submit the Ziegler replacement surety to this office. Our July 19, 2001, letter requested our receipt of the surety within 60 days. Your letter explained that due to unforeseen circumstances associated with last weeks tragedy in New York City, you will not be able to obtain the replacement surety on time.

You indicate that Ziegler is corresponding with Mr. Bob Brady of Great American Insurance Company in New York. Apparently, their offices have been temporarily closed because of the unfortunate circumstances in downtown New York. You requested an indefinite amount of time to obtain the replacement bond from Great American Insurance Company, because you have no current information when their offices will reopen.

The Division will grant an additional 60 days to Ziegler to provide the replacement surety bond. Hopefully, this will allow sufficient time for Great American to finalize the bonding arrangements and deliver the surety on Ziegler's behalf.

Thank you for your help in finalizing this permitting action. Please call me if you have any questions in this regard.

Sincerely,

D. Wayne Hedberg

Permit Supervisor

Minerals Regulatory Program